



COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AFFAIRS

"To Enrich Lives Through Effective and Caring Service"

Members of the Board

Gloria Molina
Yvonne B. Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich

Pastor Herrera, Jr.
Director

September 12, 2006

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: Pastor Herrera, Jr.
Director, Consumer Affairs

UPDATE - TIME WARNER CABLE AND THE NFL NETWORK (8/29/06, Item 79-H)

This is to inform you of recent developments related to the Time Warner and the National Football League (NFL) Network dispute.

On August 29, 2006, your Board approved a motion by Supervisor Burke (Item 79-H) to instruct the Chief Administrative Officer to send a letter to the Federal Communications Commission (FCC.) This letter was to request the FCC to immediately extend their temporary injunction which would expire on September 3, 2006, indefinitely to prevent Time Warner from cancelling the NFL Network until a reasonable, market-based solution is worked out between both parties. On August 31, 2006, the Chief Administrative Office issued this letter to the FCC (copy attached.)

On September 7, 2006, my office received a letter from Time Warner (copy attached) notifying us that they had extended their carriage of the NFL Network past the FCC imposed date of September 3rd, through September 15, 2006. If by September 15, 2006, an agreement isn't reached with the NFL, Time Warner stated that they would discontinue their carriage of the NFL Network at that time.

The Department will continue to monitor the situation for any new developments and will provide you with those updates as soon as they become available to us. If you have any questions, please contact me at 213.974.9750 or email pherrera@dca.lacounty.gov, or, your staff may contact Fern Taylor, Chief, Telecommunications Franchising at 213.974.2711 or email ftaylor@dca.lacounty.gov.

Enclosure: CAO Letter, Dated August 31, 2006
Time Warner Letter, Dated Sept. 5, 2006

c: David E. Janssen, CAO

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County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

August 31, 2006

The Honorable Kevin J. Martin
Chairman, Federal Communications Commission
445 12th Street SW, Room 8B201
Washington, DC 20554

Dear Chairman Martin:

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**TIME WARNER AND THE NATIONAL FOOTBALL LEAGUE NETWORK
(MB DOCKET NO. 06-151)**

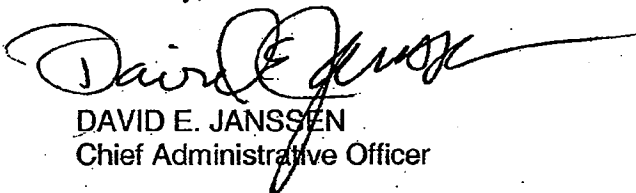
At its meeting of August 30, 2006, the Los Angeles County Board of Supervisors voted unanimously to urge the Federal Communications Commission (FCC) to extend indefinitely its temporary injunction against Time Warner to prevent it from canceling carriage of the National Football League (NFL) Network. This request is being made as a result of the potential negative impact on the programming interests of cable subscribers in the County should the NFL Network be dropped from Time Warner's cable systems.

On August 7, 2006, the FCC's Order on Reconsideration required Time Warner to carry the NFL network on all systems newly acquired from Adelphia Communications and Comcast Corporation on the same terms under which the NFL Network was carried on those systems prior to August 1, 2006 until the NFL's Petition is resolved or until 30 days after Time Warner has provided affected customers with adequate notice of its decision to drop the NFL Network, whichever comes first. As a result, Time Warner notified its subscribers that the NFL Network would be dropped from its cable systems on September 3, 2006 unless a satisfactory agreement is reached.

It is noteworthy that, as described in the FCC's August 7, 2006 order, approximately 30,000 complaints had been filed in the first two days after Time Warner dropped the NFL Network. The County is concerned that Time Warner's dropping of the channel may not be in the interest of cable subscribers, and thus urges the FCC to extend indefinitely the temporary injunction to prevent Time Warner from canceling the NFL Network until a reasonable, market-based solution is developed between the two parties.

Thank you for your consideration of this important issue.

Sincerely,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:GK
MALJF:cc



September 5, 2006

Via Facsimile and Certified Mail

Ms. Fern Taylor
Chief Telecommunications Franchising
Department of Consumer Affairs
County of Los Angeles
Areas: Acton, Agoura/Calabasas, Canyon Country, Claremont, Covina, East Los Angeles,
Glendora/Covina, Hacienda Heights, Green Valley/Leona Valley/Elizabeth Lake, Kagel Canyon La
Habra Heights/Brea, Littlerock/Pearland/Lake Los Angeles, Marina del Rey, North Torrance,
Palmdale/Quartz Hill, Rowland Heights, Saugus/Newhall, South, South Whittier, Stevenson's Ranch,
Universal City, and Walnut Park
500 W. Temple Street
B-96 Kenneth Hahn Hall of Administration
Los Angeles, CA 90012-2706

RE: NFL Network

Dear Ms. Taylor:

I am writing to update you regarding the carriage of the NFL Network on the cable television system serving your community.

As you will recall, I wrote to you in late July to advise you that Time Warner Cable will be discontinuing carriage of the NFL Network. Despite our efforts to achieve a carriage agreement that would be in the best interests of all our subscribers, our carriage of that service will indeed be discontinued effective September 15, 2006. Our customers have been notified of this upcoming change throughout the month of August (and to date) via crawls on one or more channels on the cable television system as well as newspaper ads.

I would like to assure you that Time Warner Cable is ready and willing to continue to carry this service if we can reach an acceptable agreement with the NFL. We have offered to carry the NFL Network on a Sports Tier. We believe this is the fairest approach for our customers, guaranteeing sports fans access to this high-priced, targeted programming while not requiring all of our customers to pay for it. The NFL, on the other hand, is insisting on carriage on a tier of service that would subject the vast majority of our customers to a significant rate increase – even those customers who are not interested in the NFL Network. We believe that is unfair. For more information please see our website at www.nflgetreal.com.

Please do not hesitate to contact me at (818) 998-2228 should you have any questions.

Sincerely,

Deane Leavenworth
Vice President, External Affairs

cc: Pastor Herrera
William Gomez